

A RESOLUTION FINDING, DETERMINING
AND RATIFYING AN INDUCEMENT RESOLUTION
OF THE FORT WAYNE ECONOMIC DEVELOPMENT COMMISSION
AUTHORIZING THE ISSUANCE AND SALE OF
\$10,000,000 ECONOMIC REVENUE BONDS OF THE
CITY OF FORT WAYNE, INDIANA,
FOR THE PURPOSE OF INDUCING THE APPLICANT,
FORT WAYNE HOTEL ASSOCIATES, LTD.
TO PROCEED WITH THE ACQUISITION,
CONSTRUCTION AND EQUIPPING OF THE PROJECT.

WHEREAS, the City of Fort Wayne, Indiana, (the "Issuer")
is authorized by I.C. §36-7-12 (the "Act") to issue revenue
bonds for the financing of economic development facilities,
the funds from said financing to be used for the acquisition,
construction and equipping of said facilities, and said fac-
ilities to be either sold or leased to another person or dir-
ectly owned by another person; and

WHEREAS, Fort Wayne Hotel Associates, Ltd. (the "Applicant")
has advised the Fort Wayne Economic Development Commission and
the Issuer that it proposes that the Issuer lease the same to
the Applicant or loan proceeds of an economic development
financing to the Applicant for the same, said economic develop-
ment facility to be approximately a 275 room module hotel with
customary hotel amenities including but not limited to bars,
restaurants, specialty shops and catering, located on a 40,510
square foot parcel on a portion of the block bordered by
Jefferson, Washington, Calhoun and Harrison, in the City of Fort
Wayne, Indiana (the "Project"); and

WHEREAS, the diversification of industry and an increase in
approximately 313 job opportunities to be achieved by the
acquisition, construction and equipping of the Project will
be of public benefit to the health, safety and general welfare
of the Issuer and its citizens; and

WHEREAS, having received the advice of the Fort Wayne
Economic Development Commission, it would appear that the

1 financing of the Project would be of public benefit to the
2 health, sfaety and general welfare of the Issuer and its
3 citizens; and

4 WHEREAS, the acquisition and construction of the facility
5 will not have an adverse effect on any similar facility already
6 constructed or operating in or about Fort Wayne, Indiana.

7 NOW THEREFORE, BE IT RESOLVED BY THE COMMON COUNCIL OF
8 THE CITY OF FORT WAYNE, INDIANA:

9 SECTION 1. The Common Council finds, determines, rati-
10 fies and confirms the promotion of diversification of economic
11 development and job opportunities in and near Fort Wayne, Indiana
12 and in Allen County, is desirable to preserve the health,
13 safety and general welfare of the citizens of the Issuer; and
14 that it is in the public interest that Fort Wayne Economic
15 Development Commission and said Issuer take such action as it
16 lawfully may to encourage diversification of industry and
17 promotion of job opportunities in and near said Issuer.

18 SECTION 2. The Common Council further finds, determines,
19 ratifies and confirms that the issuance and sale of revenue
20 bonds in an amount not to exceed \$10,000,000 of the Issuer
21 under the Act for the acquisition, construction and equipping
22 of the Project and the sale or leasing of such a financing
23 to the Applicant for such purposes will serve the public purpose
24 referred to above, in accordance with the Act.


25 SECTION 3. In order to induce the Applicant to proceed
26 with the acquisition, construction and equipping of the Project,
27 the Common Council hereby finds, determines, ratifies and
28 confirms that (i) it will take or cause to be taken such actions
29 pursuant to the Act as may be required to implement the afore-
30 said financing, or as it may deem appropriate in pursuance
31 thereof, provided that all of the foregoing shall be mutually
32 acceptable to the Issuer and the Applicant; and (ii) it will

1 adopt such ordinances and resolutions and authorize the execution
2 and delivery of such instruments and the taking of such action
3 as may be necessary and advisable for the authorization,
4 issuance and sale of said economic development bonds.

5 SECTION 4. All costs of the Project incurred after the
6 passage of this Inducement Resolution, including reimbursement
7 or repayment of the Applicant of monies expended by the Applicant
8 for planning, engineering, interest paid during construction,
9 underwriting expenses, attorney and bond counsel fees, acquisition,
10 construction and equipping of the Project will be permitted to
11 be included as part of the bond issue to finance said Project,
12 and the Issuer will thereafter either sell or lease the same
13 to the Applicant or loan the proceeds of such financing to
14 the Applicant for the same purposes.

15 
16 Vivian L. Schmidt
17 COUNCILMAN

18 APPROVED AS TO FORM AND
19 LEGALITY.

20 
21 John J. Wernet, Attorney for the
22 Economic Development Commission
23 Dated this 15th day of October, 1981.

Read the first time in full and on motion by V. Ackmish, seconded by Stier, and duly adopted, read the second time by title and referred to the Committee Talarico (and the City Plan Commission for recommendation) and Public Hearing to be held after due legal notice, at the Council Chambers, City-County Building, Fort Wayne, Indiana, on 10-12-81, the 10 day of October, 1981, at 6 o'clock P.M., E.S.T.

DATE: 10-12-81

Charles W. Westerman
CHARLES W. WESTERMAN
CITY CLERK

Read the third time in full and on motion by V. Ackmish, seconded by Talarico, and duly adopted, placed on its passage. PASSED (~~LOST~~) by the following vote:

	<u>AYES</u>	<u>NAYS</u>	<u>ABSTAINED</u>	<u>ABSENT</u>	<u>TO-WIT:</u>
<u>TOTAL VOTES</u>	<u>9</u>	<u>—</u>	<u>—</u>	<u>—</u>	<u>—</u>
<u>BURNS</u>	<u>✓</u>	<u>—</u>	<u>—</u>	<u>—</u>	<u>—</u>
<u>EISBART</u>	<u>✓</u>	<u>—</u>	<u>—</u>	<u>—</u>	<u>—</u>
<u>GIAQUINTA</u>	<u>✓</u>	<u>—</u>	<u>—</u>	<u>—</u>	<u>—</u>
<u>NUCKOLS</u>	<u>✓</u>	<u>—</u>	<u>—</u>	<u>—</u>	<u>—</u>
<u>SCHMIDT, D.</u>	<u>✓</u>	<u>—</u>	<u>—</u>	<u>—</u>	<u>—</u>
<u>SCHMIDT, V.</u>	<u>✓</u>	<u>—</u>	<u>—</u>	<u>—</u>	<u>—</u>
<u>SCHOMBURG</u>	<u>✓</u>	<u>—</u>	<u>—</u>	<u>—</u>	<u>—</u>
<u>STIER</u>	<u>✓</u>	<u>—</u>	<u>—</u>	<u>—</u>	<u>—</u>
<u>TALARICO</u>	<u>✓</u>	<u>—</u>	<u>—</u>	<u>—</u>	<u>—</u>

DATE: 10-27-81

Charles W. Westerman
CHARLES W. WESTERMAN - CITY CLERK

Passed and adopted by the Common Council of the City of Fort Wayne, Indiana, as (ZONING MAP) (~~GENERAL~~) (~~ANNEXATION~~) (~~SPECIAL~~) (~~APPROPRIATION~~)-ORDINANCE (RESOLUTION) No. B-80-81 on the 27th day of October, 1981.

Charles W. Westerman ATTEST:
CHARLES W. WESTERMAN - CITY CLERK

(SEAL) John Nuckols
PRESIDING OFFICER

Presented by me to the Mayor of the City of Fort Wayne, Indiana, on the 28th day of October, 1981, at the hour of 11:30 o'clock P.M., E.S.T.

Charles W. Westerman
CHARLES W. WESTERMAN - CITY CLERK

Approved and signed by me this 28th day of Oct. 1981, at the hour of 3 o'clock P.M., E.S.T.

Winfield C. Moses, Jr.
WINFIELD C. MOSES, JR.
MAYOR

R-81-10-14

BILL NO. _____

REPORT OF THE COMMITTEE ON FINANCE

WE, YOUR COMMITTEE ON Finance TO WHOM WAS REFERRED AN
ORDINANCE A RESOLUTION FINDING, DETERMINING AND RATIFYING AN
INDUCEMENT RESOLUTION OF THE FORT WAYNE ECONOMIC DEVELOPMENT
COMMISSION AUTHORIZING THE ISSUANCE AND SALE OF \$10,000,000
ECONOMIC REVENUE BONDS OF THE CITY OF FORT WAYNE, INDIANA, FOR THE
PURPOSE OF INDUCING THE APPLICANT, FORT WAYNE HOTEL ASSOCIATES, LTD.
TO PROCEED WITH THE ACQUISITION, CONSTRUCTION AND EQUIPPING OF THE
PROJECT

HAVE HAD SAID ORDINANCE UNDER CONSIDERATION AND BEG LEAVE TO REPORT
BACK TO THE COMMON COUNCIL THAT SAID ORDINANCE Do PASS.

VIVIAN G. SCHMIDT, CHAIRMAN

JAMES S. STIER, VICE CHAIRMAN

MARK E. GIAQUINTA

PAUL M. BURNS

ROY J. SCHOMBURG

CONCURRED IN

DATE _____ CHARLES W. WESTERMAN, CITY CLERK



The City of Fort Wayne

ECONOMIC DEVELOPMENT COMMISSION

October 2, 1981

Common Council of the
City of Fort Wayne
One Main Street
Fort Wayne, Indiana 46802

Re: City of Fort Wayne, Indiana, Economic Development
Revenue Bonds - Fort Wayne Hotel Associates, Ltd.
Project.

Gentlemen and Mrs. Schmidt:

Please be advised that on the 1st day of October, 1981, the Fort Wayne Economic Development Commission passed an Inducement Resolution on the above-referenced Application. Pursuant to Indiana law and the informal request of the Council, enclosed please find the following:

Inducement Resolution of the Fort Wayne Economic
Development Commission;

The Report of the Economic Development Commission;

The Application for Economic Development financing,
including financial statement of the applicant and
commitment letter; and

The Report of the City Controller.

The Commission requests that you consider these enclosures and the proposed financing contemplated thereby and adopt the Inducement Resolution submitted to the Council on October 1, 1981.

FORT WAYNE ECONOMIC DEVELOPMENT
COMMISSION

By: 

John J. Wernet,
Counsel to the E.D.C.

cc: Ms. Debbie Shell
Fort Wayne Hotel Associates, Ltd.

INDUCEMENT RESOLUTION OF
FORT WAYNE ECONOMIC DEVELOPMENT COMMISSION
ON APPLICATION OF
FORT WAYNE HOTEL ASSOCIATES, LTD.

WHEREAS, the City of Fort Wayne, Indiana, (the "Issuer") is authorized by Indiana Code §36-7-12 (the "Act") to issue revenue bonds for the financing of economic development facilities, the funds from said financing to be used for the acquisition, construction and equipping of said facilities, and said facilities to be either sold or leased to the user or developer; and

WHEREAS, Fort Wayne Hotel Associates, Ltd. (the "Applicant"), has advised the Fort Wayne Economic Development Commission (the "Commission") and the Issuer that it proposes that the Issuer acquire and equip an economic development facility and sell and/or lease the same to the Applicant or loan proceeds of an economic development financing to the Applicant for the same, said economic development facility to be approximately 275 room module hotel with customary hotel amenities including but not limited to bars, restaurants, specialty shops and catering, located on a 40,510 square foot parcel on a portion of the block bordered by Jefferson, Washington, Calhoun and Harrison, in the City of Fort Wayne, Indiana (the "Project"); and

WHEREAS, the diversification of industry and increase in job opportunities to be achieved by the acquisition of the Project will be of public benefit to the health, safety and general welfare of the Issuer and its citizens; and

WHEREAS, it would appear that the financing of the Project would be of public benefit to the health, safety and general welfare of the Issuer and its citizens or the citizens of Allen County, Indiana; and

WHEREAS, the acquisition and construction of the facility will not have an adverse competitive effect on any similar facility already constructed or operating in Allen County, Indiana.

NOW, THEREFORE, BE IT RESOLVED by the Commission as follows:

1. The Commission hereby finds and determines that the promotion of diversification of economic development and job opportunities in Fort Wayne, Indiana, is desirable to preserve the health, safety and general welfare of the citizens of the Issuer, and that it is in the public interest that the Commission and the Issuer take such action as they lawfully may to encourage economic development, diversification of industry and promotion of job opportunities in and near the Issuer.

2. The Commission hereby finds and determines that the issuance and sale of economic development revenue bonds in an amount of approximately \$10,000,000 of the Issuer under the Act for the acquisition, construction and equipping of the Project and the sale or leasing of the Project to the Applicant or the loan of the proceeds of the revenue bonds to the Applicant, will serve the public purposes referred to above, in accordance with the Act.

3. In order to induce the Applicant to proceed with the acquisition, construction and equipping of the Project, the Commission hereby finds and determines that (i) it will take or cause to be taken such actions pursuant to the Act as may be required to implement the aforesaid financing or as it may deem appropriate in pursuance thereof; provided that all of the foregoing shall be mutually acceptable to the Issuer and the Applicant; and (ii) it will adopt such resolutions and authorize the execution and delivery of such instruments and the taking of such action as may be necessary and advisable for the authorization, issuance and sale of said economic development revenue bonds.

4. All costs of the Project which may be financed under the Act will be permitted to be included as part of the bond issue to finance the Project, and the Issuer will sell or lease

the same to the Applicant or loan the proceeds
from the sale of the bonds to the Applicant
for the same purposes.

ADOPTED this 1st day of October, 1981.

FORT WAYNE ECONOMIC DEVELOPMENT
COMMISSION



Sidney R. Sheray



Timothy Borne



Charles M. Henry



Phillip A. Howard



Stanley Lipp

REPORT OF THE FORT WAYNE ECONOMIC DEVELOPMENT
COMMISSION CONCERNING THE PROPOSED FINANCING
OF ECONOMIC DEVELOPMENT FACILITIES FOR
Fort Wayne Hotel Associates, Ltd.

Having been furnished certain data by the above applicant, and having had discussions with representatives of said applicant, the Fort Wayne Economic Development Commission now submits the following report pursuant to Indiana Code 18-6-4.5-16.

Description of Proposed Facilities

Approximately 275 room module hotel to be located on the block bounded by
Jefferson, Washington, Calhoun and Harrison Streets in Fort Wayne, Indiana

Estimate of Public Services Required

All public services, including water and sewage, now exist. No public facilities will be made necessary on account of the proposed facilities.

Total Project Cost

The total project cost for the purchase, construction and equipping of the facilities is estimated to be \$10,000,000.00, including costs of issuance of the economic development revenue bonds.

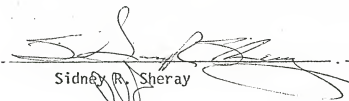
Number of Jobs and Estimated Payroll

It is anticipated there will be approximately 313 new jobs created by this project with an estimated payroll increase of approximately \$ 4,500,000.00 annually.

Adverse Competitive Effect

The construction of the facilities will not have an adverse competitive effect on any similar facilities already constructed or operating in or near Fort Wayne, Indiana.


Dated this 1st day of October, 1981.



Sidney R. Sheray



Charles Henry



Timothy Borne



Phil A. Howard



Stan Lipp

APPLICATION TO FORT WAYNE, INDIANA
ECONOMIC DEVELOPMENT COMMISSION,
FOR ECONOMIC DEVELOPMENT
REVENUE BOND FINANCING

- (1) Applicant's name

Fort Wayne Hotel Associates, Ltd.

- (2) Address of Applicant's Principal Office and Place of Business.

One Appletree Square
Bloomington, Minnesota 55420

- (3) Type of organization under which the Applicant does business
(e.g. corporation, partnership, sole proprietorship, joint venture).

Limited Partnership

- (4) Under the laws of what State is the Applicant organized?

Indiana

- (5) Business or business in which applicant is engaged?

Development, ownership, and investment in real property and
businesses ancillary thereto, including ownership and management of
a hotel and possible management of adjacent convention center facility.

- (6) Is the applicant qualified to do business in Indiana?

Yes

(7) Please list names and titles of principal operating personnel.

The General Partner is Landmark of Fort Wayne, Inc. Its officers and their titles are as follows:

Robert F. Jacobsen	Director
Scott A. Godin	President, Director
Thomas C. Van Housen	Vice President, Director
James F. Coughlin	Secretary
Daryl G. Durheim	Treasurer

(8) Please list names of all persons or firms having an ownership interest of 10% or more in the applicant.

Appletree Enterprises, Inc. is the sole limited partner of applicant and is the sole owner of Landmark of Fort Wayne, Inc. Appletree Enterprises, in turn, is a wholly-owned subsidiary of Ellerbe, Inc., Bloomington, Minnesota.

(9) Please list names of any persons who are both (a) shareholders or holders of any debt obligation of the applicant; and (b) officers or members of the Economic Development Commission; or members of the Common Council of the City; or members of the Allen County Council.

(a) None

(b) None

(c) None

(10) Has any person listed been (a) convicted of a felony, (b) convicted of or enjoined from any violation of state or federal securities laws, or (c) a part to any consent order or entry with respect to an alleged state or federal securities law violation, in each case within ten years preceding the date of this application?

No

(11) What is applicant's net worth as of the end of the calendar or fiscal year quarter next preceding the date of the application?

Applicant is newly formed and was not in existence at end of calendar quarter preceding date of application.

(12) How long has applicant been in business (a) under its present name, and (b) under any prior names? Please supply, if applicable.

See answer to 11. Applicant had no prior name.

(13) What is the proposed amount of the bond issue?

\$10,000,000

(14) How are the proceeds of the issue to be used? (Itemize by category of expenditure)

The proceeds are to be used to acquire a portion of the block bordered by Jefferson, Washington, Calhoun and Harrison and to construct thereon a hotel having approximately 275 room modules. The hotel will be adjacent to and connected with a convention center to be developed and owned by the City of Fort Wayne. See attachment A.

(15) If the proceeds of the issue are not estimated to be sufficient to acquire, construct and/or remodel, and equip the proposed project, itemize the additional expenditures which will be necessary and indicate the source of such funds.

The total cost of the project is presently estimated to be \$19,500,000 to be provided as set forth on attachment A.

(16) Where is the proposed project to be located? (Give street address and legal description as it appears on auditor's records).

A 40,510 square foot site described as parts of Lots 421, 422, 423, 451, 452 and 453 and all of Lots 418, 419, and 420 together with parts of the east/west and north/south vacated alleys all in Hanna's addition to the City of Fort Wayne, as more specifically set forth on the plat plan attached hereto. Survey to govern legal description and street address is to be on Calhoun Street.

ATTACHMENT A

14. Use of Bond Proceeds:

Land Acquisition	\$ 46,750.00
Underwriting Discount	500,000.00
Financing Costs - Printing, Legal, Accounting Design/Build	150,000.00
	<u>\$ 9,303,250.00</u>
Total Proceeds:	\$10,000,000.00

15. Source of Funds:

Tax Exempt Mortgage Bonds	\$10,000,000.00
UDAG Second Mortgage	2,653,000.00
Local Investor Second Mortgage	2,175,000.00
Investor Equity	3,672,000.00
Land Lease Back	<u>1,000,000.00</u>
	\$19,500,000.00

(17) Describe facilities to be constructed. (Provide architect's rendering if available).

Approximately 275 room module hotel with customary hotel amenities. Preliminary renderings are attached hereto as exhibits B & C.

(18) Is the project solely within the city limits of Fort Wayne? (If not, give the name of the township and/or other municipality in which it is located).

Yes

(19) Is the property solely within the Fort Wayne Community School District? (If not, state the name of the School District in which it is located).

Yes

(20) What is the approximate size of the tract or parcel on which the property is to be situated?

40,510 square feet

(21) If the proposed project or a portion thereof is to be leased to another entity or entities, name the entity or entities and describe the portion to be leased. If no lease is contemplated, please indicate.

The land will be sold to Lincoln National Life Insurance Co. and leased back to applicant. It is likely that applicant will enter into a long term agreement with a national hotel chain to manage the hotel on applicant's behalf. Minimal retail space, approximately 3000 square feet will also be leased.

(22) What is the nature of the business to be conducted at this location?

Operation of a hotel and businesses ancillary thereto, such as bars, restaurants, specialty shops, catering, etc.

(23) Does existing zoning clearly permit construction and operation of the proposed project?

Yes

(a) - What is the existing zone?

B₃A

(b) - What zone does project require?

B₃A

(24) Will the proposed project have ready access to (a) water, and (b) sewers? If not, state how it is intended to obtain access to those utilities.

(a) Yes

(b) Yes

(25) Are septic tank or other temporary sewage treatment and disposal facilities to be used in lieu of sewers?

No

(26) Describe briefly any adverse environmental impact anticipated by reason of operation of the proposed project, with particular reference to air, noise or water pollution.

None

(27) If the project is constructed, will any existing jobs be lost by reason of reduction or cessation of operations (a) in the City, (b) in Allen County, or (c) elsewhere in the State of Indiana?

- (a) No
- (b) No
- (c) No

(28) Describe briefly by category the nature of the new jobs to be created.

Approximately 313 permanent new jobs will be created by the hotel, not counting construction workers. Breakdown of the new jobs will be approximately as follows:

see attached letter

(29) State the number of new jobs to be created (a) immediately after the proposed facilities are placed into operation, and (b) within three years thereafter.

- (a) See answer to 28
- (b)

(30) What additional annual payroll will the new jobs generate (a) immediately after the proposed facilities are placed into operation, and (b) within three years thereafter.

- (a) estimated at \$ 4,500,000.00
- (b) estimated at \$ 5,500,000.00

(31) If the proposed project would not be approved for tax-exempt financing, is there any substantial possibility that loss of existing jobs would occur in (a) the City, (b) the County, or (c) the State of Indiana? If the answer to either (a), (b) or (c) is affirmative, what would be the approximate number of jobs lost and the approximate net annual dollar amount of payroll loss?

No



September 3, 1981

Mr. Gary Wasson
Fort Wayne Redevelopment Commission
One Main Street
City-County Building
Fort Wayne, Indiana 46802

Dear Gary:

Hotel/Civic Center
Fort Wayne, Indiana

With the revised size of the hotel, we have reviewed the number of jobs this public/private venture project may generate after its 3rd full year of operations, and we list those as follows:

	<u>Total</u> <u>Employees</u>	<u>Low</u> <u>Income</u>	<u>Moderate</u> <u>Income</u>	<u>Above</u>
Radisson Hotel				
275 Rooms	313	90@28.8%	158@50.5%	65@20.7%
Part time				
Banquet/Mtg. Room	50	45@90%	5@10%	
Civic Center	24			
Retail	8			
	<u>395</u>			

These numbers are based upon our past hotel experience.

Sincerely,

Tom Van Housen
Vice President

ml

cc: Dennis Callaghan
Scott Godin

(32) Has the proposed project been informally reviewed by bond counsel to determine whether it is in accordance with the applicable state and federal law? If so, by what firm of bond counsel?

Not at this point

(33) Have tentative or final arrangements been made for sale of the bonds? Describe briefly any such arrangements.

No, although discussions have been undertaken with several underwriters.

(34) Describe briefly the proposed method of financing. (Direct, loan, lease, sale, etc.)

The financing will be in the form of a loan secured by a first mortgage guaranteed by Lincoln National Life Insurance Company.

FORT WAYNE HOTEL ASSOCIATES, LTD.

Name of Applicant

By: Landmark of Fort Wayne, Inc.

Its: General Partner

BY: John G. Hansen

Its: Vice President

Dated this 7th day of September, 19 21

State name, address and phone number of person to be contacted and given notice about this applicant:



The City of Fort Wayne

September 30, 1981

Mr. Bruce Boxberger
City Attorney
City County Building
Fort Wayne, Indiana

RE: Fort Wayne Hotel Associates, Inc.

Dear Bruce:

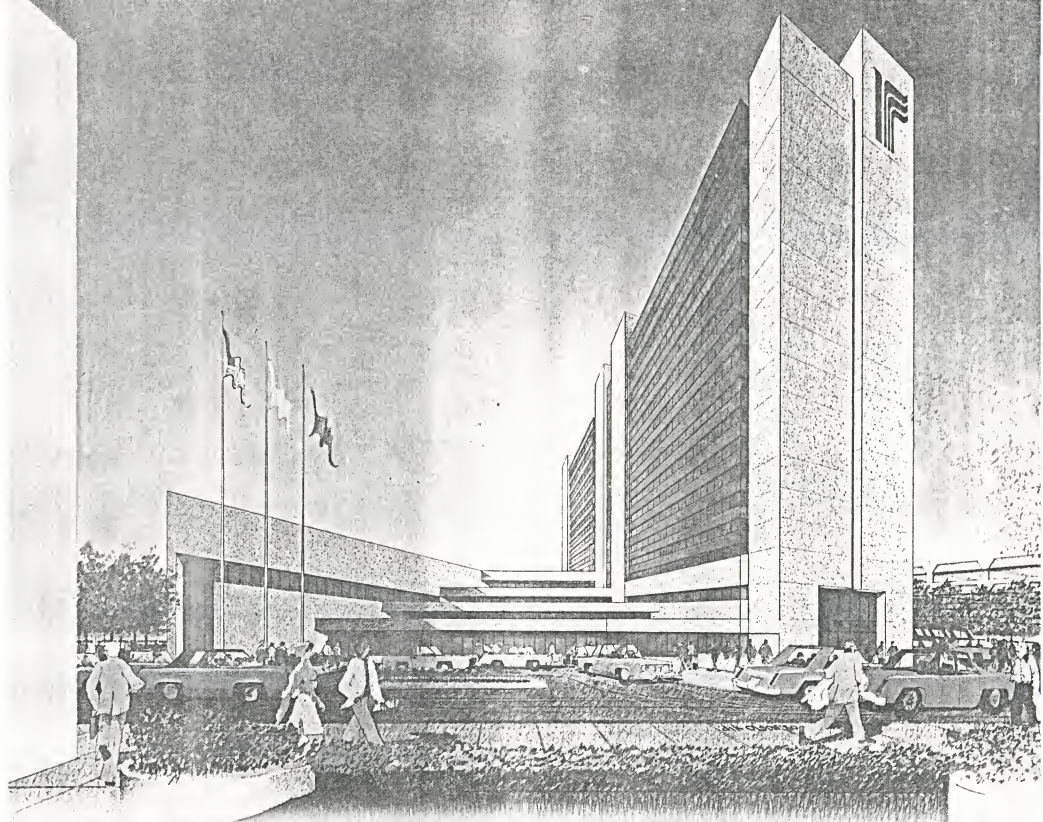
I have reviewed the application and financial statements of the above named applicant.

I find no problems with these documents which should deter action by the Commission.

Sincerely,

A handwritten signature in dark ink, appearing to read "Frank W. Heyman", is written over the typed name and title.

Frank W. Heyman
City Controller



DRAFT

PROPOSED RADISSON HOTEL

Fort Wayne, Indiana

275 Rooms

Project Cost & Financing

<u>PROJECT COST</u>	<u>Per Room</u>	<u>Total</u>	<u>%</u>
Design/Build	\$43,700	\$12,017,500	65 %
FF&E	10,925	3,004,500	16.2%
Interim Interest	2,375	653,000	3.5%
Operating Reserves	2,280	627,000	3.4%
Development Fee	2,090	575,000	3.1%
Pre-Opening Expenses	1,140	313,500	1.7%
Working Capital	1,425	392,000	2.1%
Land	165	45,500	.2%
Other (Legal, Taxes, Insurance)	1,663	457,500	2.5%
Contingency	1,507	414,500	2.2%
 Total Cost	 <u>\$67,270</u>	 <u>\$18,500,000</u>	 <u>100%</u>

<u>PROJECT FINANCING</u>	<u>Per Room</u>	<u>Total</u>	<u>%</u>
Tax Exempt Mortgage Bonds		\$10,000,000	54%
UDAG		2,550,000	14%
Local Second Mortgage		1,125,000	6%
Land Lease Back		1,000,000	5%
Equity		3,825,000	21%
 Total		 <u>\$18,500,000</u>	 <u>100%</u>

October 26, 1981

Mr. Sid Sheray
President
Economic Development Commission
8th Floor
City County Building
One Main Street
Fort Wayne, Indiana 46802

Dear Mr. Sheray:

RE: Proposed Radisson Hotel
Northwest Corner Calhoun
and Jefferson Streets
Fort Wayne, Indiana

As you have requested, this letter will serve to advise of Lincoln National Corporation's (Lincoln) commitment to (1) purchase the land to be improved by the Fort Wayne Radisson Hotel, and (2) to guarantee the First Mortgage securing the Ten Million and No/100 Dollars (\$10,000,000.00), Eleven and One-Half percent (11-1/2%) Industrial Revenue Bonds subject to, but not limited to the following terms and conditions:

1. The execution of an agreement, acceptable to Lincoln, by Landmark Development Corporation (Landmark) to the effect that it will complete the project on a "turnkey basis" at a cost not to exceed \$18,500,000.00, as outlined in the brochure entitled, "Fort Wayne Convention Center Hotel," that was prepared by Landmark and Ellerbe Associates, Inc., it being understood and agreed that all parties have or will accept the reduction in the number of rental room units from 351 to not less than 275.
2. The Final Plans and Specifications, as well as all loan documentation, shall be subject to Lincoln's review and approval.
3. Firm commitments for the funds, as indicated below, for the total costs of \$18,500,000.00, are in form and substance satisfactory to Lincoln.

The \$18,500,000.00 total cost shall be broken down as follows:

- | | | |
|----|------------------------|---|
| a. | \$10,000,000.00 | Industrial Revenue Bond secured by First Mortgage (Term 30 years [15-year amortization] Rate 11-1/2%) to be guaranteed by Lincoln National Corporation. |
| b. | \$ 2,550,000.00 | UDAG Grant secured by Second Mortgage. |
| c. | \$ 1,125,000.00 | Mortgage funds provided by the Community. |
| d. | \$ 1,000,000.00 | Land purchase furnished by Lincoln National Corporation. |
| e. | \$ <u>3,825,000.00</u> | Equity to be marketed by CRI (approximately \$1,000,000.00 of this should be contributed by Appletree and Radisson Hotels, Inc.). |
| | <u>\$18,500,000.00</u> | Total Cost. |

4. Lincoln's guarantee of repayment of the obligation in Paragraph 3 (a) above must provide, among other items, that Lincoln has the option, in the event of default as set out in the debt instruments, to pay the principal and interest, and/or the entire indebtedness due; it being understood and agreed that upon Lincoln's payment of any kind under the Guarantee, the payment would operate to create a lien, second only to the debt obligation set out at 3 (a) on the property encumbered by the Mortgage and/or Industrial Revenue Bond; Lincoln is to receive, in addition to the rights of subrogation, the transfer of all other equity interest and/or in the event that Lincoln elects to pay all of the outstanding indebtedness, then the loan documents must provide that the Holder will assign, without recourse, the debt instruments to The Lincoln, as a condition to the payment by Lincoln of any funds as required by the Guarantee.
5. In consideration for this guarantee, The Lincoln shall receive 10% of the cash flow generated by the hotel property after all operating expenses, all sums necessary to service the various debt instruments incurred for the financing and operation of the hotel, payment of 15% return to all equity investors, including ground rent representing 15% return to the ground lessor. These payments shall be due annually within 60 days of the close of each fiscal year. Lincoln shall have the right to audit the records of the partnership for the purpose of determining the applicable cash flow.

The Lincoln is prepared to proceed with the acquisition of the land and the execution of the Guarantee as herein provided.

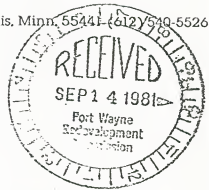
Very truly yours,

LINCOLN NATIONAL CORPORATION

By: Ian M. Rolland
Ian M. Rolland, President



RADISSON HOTEL CORPORATION 12805 State Highway 55, Minneapolis, Minn. 55441-6121/540-5526



September 9, 1981

Mr. Gary Wasson
Ft. Wayne Redevelopment Authority
1 Main Street
City County Building
Ft. Wayne, Indiana 46802

Dear Mr. Wasson:

This letter is written to confirm Radisson Hotel Corporation's continued interest in a 275 room hotel to be built adjactn to the new Civic Center.

It is my understanding that the project is supported by your agency and that Industrial Revenue Bonds, a \$2.65 million UDAG, and strong support from Lincoln National Life Insurance Company will be the catalyst to get the project moving.

I look forward to the finalization of the project so that a firm construction start and, therefore, a potential opening date can be established.

Sincerely,

Michael L. Kovalsky
Vice President
Finance & Development

MLK:jrh

cc: Tom Van Housen



PROJECT SCHEDULE (MANAGEMENT)

CG-SCHEDULE (3/81)

MARS NO. OR COMM. NO.

REALISTIC SCHEDULE IF CONTRACTS COMPLETED BY 10/30/81

CLIENT:

FWRA & LNL

PROJECT:

RADISSON HOTEL & CIVIC CENTER

LOCATION:

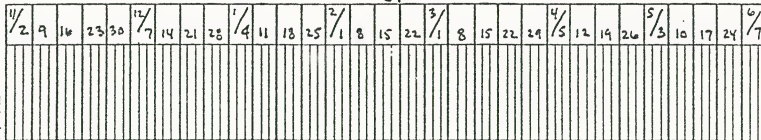
FT. WAYNE, INDIANA

PHASE	BEGIN	END
D	11/2/81	12/14/81
E	12/21/81	2/20/82
F	2/22/81	5/22/82

WEEK—PAY PERIOD—MONTH

(Circle One)

DATE ENDING



* PHASES - FAST TRACK

A. Studies/Programming

B. Master Plan

C. Block Schematics

D. Schematics

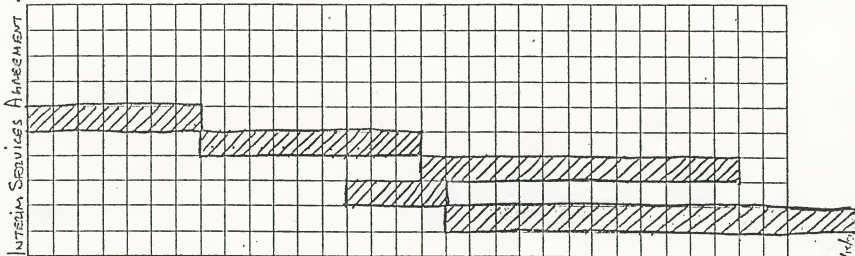
E. Design Development

F. Construction Documents

G. Bidding/Negotiation

H. Construction

*Per Contract and Work Effort



NOTE: This is a required minimum schedule. The Project Manager shall provide, in addition, detailed Team Schedule for all Full Service Projects.

PREPARED BY:

T. VAN Housen

APPROVED BY:

GMP
STAFF
CONSTR
3/1/81

PMCC

Dept

DATE:

9/1/81

DATE APPROVED:

REVISED:

REVISED:

COMPLET
CONSTR. 10/1/81

DIGEST SHEET

TITLE OF ORDINANCE Inducement Resolution for an issue of \$10,000,000.00
Economic Revenue Bonds of the City of Fort Wayne for Fort Wayne Hotel
Associates, Ltd.
DEPARTMENT REQUESTING ORDINANCE Economic Development Commission

SYNOPSIS OF ORDINANCE A 275 room module hotel with customary hotel
amenities including but not limited to bars, restaurants, specialty
shops and catering, located on a 40,510 square foot parcel on a portion
of the block bordered by Jefferson, Washington, Calhoun and Harrison,
in the City of Fort Wayne, Indiana.

EFFECT OF PASSAGE Acquisition, construction and equipping of a 275
room module hotel, creating 313 job opportunities, with an estimated
payroll of approximately \$4,500,000.00 annually.

EFFECT OF NON-PASSAGE None of the above.

MONEY INVOLVED (DIRECT COSTS, EXPENDITURES, SAVINGS) None.

ASSIGNED TO COMMITTEE (PRESIDENT) _____